

ORIGINAL

Before the
DOCKET FILE COPY ORIGINAL

FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

RECEIVED

FEB 14 2001

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Numbering Resource Optimization)
)
Petition for Declaratory Ruling and Request)
For Expedited Action on the January 17, 1997)
Order of the Pennsylvania Public Utility)
Commission Regarding Area Codes 412, 610,)
215, and 717)

CC Docket No. 99-200

CC Docket No. 96-98

COMMENTS OF COX COMMUNICATIONS, INC.

Carrington F. Philip
Vice President, Regulatory Affairs

COX COMMUNICATIONS, INC.
1400 Lake Hearn Drive, N.E.
Atlanta, GA 30319

February 14, 2000

No. of Copies rec'd
List A B C D E

014

SUMMARY

The Commission should continue to focus on mechanisms that will maximize the efficient utilization of numbering resources. In this context, Cox Communications, Inc. (“Cox”) recommends that the Commission take the following actions.

Overlays

The Commission should not permit “transitional overlays,” which provide no benefits and have significant drawbacks. The Commission should reconsider its tentative view to avoid “take-backs” of numbers in technology- or service-specific overlays. “Take-backs” that merely move wireless NXX codes into the new area code are no more disruptive than area code splits. The Commission should not require consumers to use 10-digit dialing within an NPA following a technology- or service-specific overlay so long as each carrier appends the NPA to all seven-digit calls for routing purposes.

Rate Centers

Rate center consolidation will yield less efficiency than permitting NXX codes to be shared among rate centers. To the extent the Commission supports consolidation instead of this more efficient alternative, the Commission should require states to submit detailed consolidation plans prior to the rollout of national number pooling.

Compliance Issues

The Commission should not penalize affiliated companies for the failure of one subsidiary to comply with numbering requirements. Doing so would be unfair. While states should be allowed limited involvement in numbering audits, they should not be given access to commercially sensitive reporting data. The Commission also should have the sole responsibility for determining whether numbering resources should be withheld.

Market-Based Approaches

The Commission should permit carriers to charge customers market-based rates for extended numbering reservations to encourage conservation, but should not tax such reservations. The Commission should not adopt any other market-based optimization mechanisms at this time, but should wait to determine how market-based reservations affect number usage. Moreover, the Commission has no authority to require payments for numbering resources. Instead of market-based assignments, the Commission should consider unassigned number porting.

Cost Recovery

Cox continues to support cost recovery through carrier-implemented mechanisms rather than through regulatory requirements. Cox also is concerned that costs related to carrier-generated costs for assignment of number blocks may not be properly assigned to individual carriers in the number pooling cost allocation process, and believes it is important to ensure that such costs are properly assigned to the cost-causing carriers.

Pooling for Non-LNP Carriers

The Commission's own principles require participation in number pooling by all carriers to the extent possible, and pooling does not require implementation of LNP. Cox suggests that it would be appropriate to consider financial incentives for small and rural carriers to begin pooling. One potential approach is to require carriers that do not participate in pooling to bear the full costs of central office code administration.

Waivers of Utilization Thresholds

Cox opposes explicit "safety valves" for waiving utilization thresholds. Waivers should be considered case by case to encourage carriers to use their numbers efficiently.

TABLE OF CONTENTS

	Page
SUMMARY	i
I. SERVICE-SPECIFIC AND TECHNOLOGY-SPECIFIC OVERLAYS.....	1
A. In General.....	1
B. The Commission Should Reconsider Its Rejection of “Take-Backs”	3
C. Mandatory Ten Digit Dialing.....	5
II. THE RATE CENTER PROBLEM	6
III. COMPLIANCE ISSUES	8
A. Liability of Related Carriers	8
B. State Commissions’ Access to Mandatory Reporting Data	9
C. Enforcement.....	9
D. State Commission Authority to Conduct “For Cause” and “Random” Audits.....	9
IV. DEVELOPING MARKET-BASED APPROACHES FOR OPTIMIZING NUMBERING RESOURCES	10
A. Fee for Number Reservations	10
B. The Effect of Fees on Numbering Resource Utilization.....	11
C. Authority to Assess Fees and to Use Them to Fund the USF.....	12
V. RECOVERY OF POOLING SHARED INDUSTRY AND DIRECT CARRIER- SPECIFIC COSTS.....	14
VI. THOUSANDS-BLOCK NUMBER POOLING FOR NON-LNP-CAPABLE CARRIERS	15
VII. WAIVER OF GROWTH NUMBERING RESOURCE REQUIREMENTS	16
VIII. CONCLUSION.....	17

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Numbering Resource Optimization)	
)	CC Docket No. 99-200
Petition for Declaratory Ruling and Request)	
For Expedited Action on the January 17, 1997)	CC Docket No. 96-98
Order of the Pennsylvania Public Utility)	
Commission Regarding Area Codes 412, 610,)	
215, and 717)	

COMMENTS OF COX COMMUNICATIONS, INC.

Cox Communications, Inc. ("Cox") hereby submits its comments in response to the Commission's Second Further Notice of Proposed Rulemaking in the above-referenced proceeding.¹

I. SERVICE-SPECIFIC AND TECHNOLOGY-SPECIFIC OVERLAYS

A. In General

In response to state petitions, the Commission, in its FNPRM, agrees to revisit the prohibition against service-specific and technology-specific overlays (TSOs). However, rather than explore the type of TSOs that states have petitioned to implement, the Commission instead focuses on transitional overlays, a scheme brought to the Commission's attention through ex parte contacts by SBC and the wireless industry.

Initially, transitional overlays are service- or technology-specific providing TN resources only to carriers operating under the targeted technology, later evolving into all-services overlays

¹ Numbering Resource Optimization. *Second Report and Order, Order on Reconsideration and Second Further Notice of Proposed Rulemaking*, CC Dkt. Nos. 96-98 and 99-200 (rel. Dec. 29, 2000) (the "FNPRM"). By an erratum released on January 24, 2001, the Commission corrected the comment date in this proceeding to February 14, 2001. See Numbering Resource Optimization, *Errata*, CC Docket Nos. 96-98 and 99-2000 (rel. Jan. 24, 2001).

from which all carriers derive TN resources. An additional impediment is LNP-capable carriers who have long invested in and implemented LNP would draw only 1,000 blocks while non-LNP capable (*e.g.*, CMRS) carriers would be assured whole codes (10,000 TNs).

The Commission's concerns regarding segregation are reasonable only if one adopts the classic wireless perspective: they are segregated when they are confined to TN resources within the specific overlay. Does the "segregation" mantle not apply to pooling carriers who operate under the strict pooling guidelines? Time limitations for transitional overlays are not required since the stamp of segregation can be easily argued by either service sector. Thus, Cox suggests to the Commission that if it sees fit to implement service- or technology-specific overlays, they be effected on a permanent basis or not done at all.

Transitional, service- or technology-specific, overlays are intended to give states another tool in their efforts to protect the public interest by ensuring that numbering resources allocated in their jurisdictions are available and used effectively. While Cox supports this goal, the Commission should recognize that the proposal in the "Further Notice" appears to effectively take away at least one major option for state regulators – geographic splits – and in doing so creates additional dilemmas for regulators.

The first dilemma is number utilization can be best enhanced in a service- or technology-specific overlay for CMRS providers by allowing the new overlay NPA to cover multiple existing NPAs. CMRS carriers, for example, often point out that their service territories are larger and less dependent on rate centers than those of wireline carriers, and thus they can assign numbers across rate center boundaries as well as across NPAs. There is no expectation of a static telephone number geographic location in a mobile service. Wireline carriers are able to adapt to such multiple NPA overlays, but only through added complexity in their routing plans.

Additionally, covering more than one NPA without ten (or eleven) digit dialing can significantly strand telephone numbers. . As such, states are limited in their ability to design an overlay that is optimal and in the best interests of their consumers.

Second, competitive concerns for wireline carriers are not eliminated in the all-services overlays that must follow transitional service- or technology-specific overlays, even with mandatory 10-digit dialing. Customers still prefer numbers in the original NPA with its history and identifiable geographic identity. The potential competitive issues inherent in NPA relief are best addressed and mitigated by geographic splits, which could be negated by the presence of the permanent transitional overlay.

Third, the wireless industry has indicated to the North American Numbering Council on various occasions the substantial possibility that, because of various alleged rate center-related issues, the potential need to have “wireless only” 1000 number block pools. Authorizing a permanent technology-specific overlay, in combination with coverage of multiple NPAs, would greatly enhance TN optimization. In addition, state regulatory flexibility is enhanced by enabling commissions to simultaneously activate a geographic split for wireline carriers with an existing overlay.

B. The Commission Should Reconsider Its Rejection of “Take-Backs”

The Commission tentatively concluded that take-backs of existing numbers would be prohibited. This prohibition would allegedly mitigate widespread consumer disruption and costly re-programming of mobile telephone handsets while having no effect on wireline customers and carriers. This was the historic and is the current and still sociologically fallacious argument of CMRS providers. The CMRS provider’s position on consumer disruption did not address the consumer disruption that was caused by the need to implement ten digit dialing to offset the competitive disadvantages resulting from all-service overlays. This requirement not

only involved reprogramming of existing customer premise wireline equipment but also the replacement of older equipment and the expedited retirement of existing equipment because of the 40% decrease in storage memory capacity due to the increase in specific telephone number digits. The wireline industry and their customers have been paying those costs since the time of the Ameritech Decision.

Cox also notes that the premise of "take-back" is itself flawed. There is no "take back". There is merely the change of NPAs while the seven digits of the telephone number remain the same. The same situation exists with customers on the new side of a geographic split. The "take-back" scare has been and still is mythical. However, it did serve to shift the economic costs for overlay relief from the wireless to the wireline industry and its customers.

The Commission should consider, at a minimum, certain services for possible return of telephone numbers in the underlying NPAs. Examples are automatic teller machines and point-of-purchase technologies. Under a ten-digit dialing requirement, these services already require equipment reprogramming to add an NPA to the existing seven digit number. This requirement provides an easy assumption of an overlay NPA. In this instance the impact on the general public would be minimal. Prior to ordering any return of numbers, the Commission should attempt to quantify the impact of this re-programming and potential for use of the saved numbers by new customers, but a blanket prohibition should not be presumed to be the best approach. The Commission should consider any service that does not involve an end-user actually dialing a number as a source for number reclamation. Services such as those mentioned above as well as the emerging "On-Star" technology for cars that connects the driver to an operator by touching a single button. There is not now, nor will there ever be, a need for an identifiable NPA for the services mentioned in this paragraph. Consequently, taking back previously issued numbers is a

viable alternative if done appropriately. The re-programming is, at the very least, comparable to that which would be necessary in an area code change while the end-user impacts are negligible.

C. Mandatory Ten Digit Dialing

The Commission asks for comments on whether mandatory 10-digit dialing should be a part of any service or technology specific overlay. Cox points out that seven digit dialing between NPAs within a geographic area that is served by an overlay negates having the same seven digit numbers in each NPA. This significantly decreases the quantity of new numbers made available by the relief activity. Having seven digit dialing within each NPA requires consumers to remember the entire ten digit telephone number in either NPA in order to discriminate between the seven digit and ten digit dialing requirement.

There is a technological solution that allows consumers to dial seven digits within their home NPA and have the Mobile Telephone or Central Wireline Switching Office append the home NPA digits. Cox suggests that retaining the 10-digit dialing requirement negates a good portion of the perceived consumer benefits of technology specific overlays. Absent automatic appending of the NPA, and since mobile handsets have their home-NPAs programmed in, the impact of a mandatory 10-digit dialing plan would fall disproportionately on wireline consumers. Lastly, 10-digit dialing has no inherent efficiency gains for numbering utilization.

Assuming that a technology-specific overlay would apply to carriers who are not LNP-capable, a transitional approach as proposed by the Joint Wireless Commenters would be of such limited duration as to potentially shorten the life of the NANP. This shortening would be driven by carriers rushing to be the first in line to acquire as many telephone numbering resources in the "old" NPA as quickly as possible before they exhaust. While Cox believes that rationing or lotteries are not a substitute for NPA relief, it cannot be overlooked that such measures do in fact extend the effective life of area codes by incenting service providers to high utilization rates.

The triggers suggested by the Joint Wireless Commenters (30 codes remaining or one code for every rate center) may seem reasonable on the surface but is completely unrelated to the specific attributes of the area needing relief and is an attempt to set up a one-size-fits-all solution. The trigger should be based on the rate of TN consumption, the level of the available resources, and the time to implement NPA relief. This timing probably will be different for every situation. Cox reiterates that any service- or technology specific overlay should be permanent and not “transitional”.

II. THE RATE CENTER PROBLEM

The Commission identified the problem regarding Rate Centers as:

“One of the major contributing factors to numbering resource exhaust is the existence of multiple rate centers in each NPA and the demand by most carriers to have numbering resources in each rate center in which they operate.”

This statement of the problem is not quite accurate and, unless it is corrected, will not provide the basis for a proper solution. The distance sensitive call rating/billing systems existing today, and the industry-wide common input data necessary to use them, demand that NXX codes be assigned to one and only one rate center. Today, this is an artifact of history and a burden. This constraint reached into LNP and, because of the insistence of certain carriers that it be maintained, limited porting of telephone numbers to a geographic area within the rate center area to which the NXX has been assigned. The problem statement should replace the words “demand by most” with “need of”. Resulting in:

One of the major contributing factors to numbering resource exhaust is the existence of multiple rate centers in each NPA and the need of carriers to have numbering resources in each rate center in which they operate.

The problem statement itself suggests the optimum forward looking solution: to remove the need to have NXXs confined to a single rate center. That need is based on a file, created and maintained by Telcordia, that associates the vertical and horizontal geographic coordinates of the

rate center point with the NPA and NXX of the telephone number. That association developed when computer processing power was expensive and slow, and memory expensive and small, extends to all ten thousand telephone numbers that lie under the NXX (from 0000 to 9999). Associating the VH coordinates of a rate center (or central office switch through the number portability system LRN) with each telephone number would provide the optimum telephone number resource utilization solution by allowing the numbers within an NXX to spread over an entire area encompassing many rate centers, while maintaining the integrity of the historical distance sensitive call rating mechanisms. Cox, for a number of years, has advocated taking this step into the future and continues to do so at this time.

A sub-optimum solution is to expand the geographic area within a rate center area by “consolidating” multiple rate centers into one and associating all of the NXXs associated with the “old” rate centers with the consolidation. This solution is not universally available because it loses the granularity of the distance sensitive billing mechanisms and converts toll calls into local calls. This lack of granularity converts access charge revenue, available to intra and inter state carriers, into local revenue available to the local service providers. In the extreme, the lack of granularity also drives billing to distance insensitive “flat rate” charges. While doing so, one could suggest that the lack of granularity in the billing systems may negate future and advanced services and provide only short-term advantages. All of these factors significantly limit the number of rate centers available for consolidation.

As noted, rate center consolidation is a means to reduce both demand for and stranding of telephone numbers. This is especially important when used with unassigned number porting and/or 1000 block pooling. The Commission has urged states to consider the implementation of rate center consolidation but the problem persists of the states being non-responsive, perhaps

because of the reasons provided above. If the Commission insists on pursuing this sub-optimum solution, Cox believes that, instead of requesting comments the Commission and the industry would be better served, if the Commission required states to submit, prior to the rollout of national pooling, either a plan for rate center consolidation in the top 100 MSAs or submit detailed reasons why rate center consolidation cannot be implemented.

III. COMPLIANCE ISSUES

A. Liability of Related Carriers

It is relevant in the determination of "Related" as used by the Commission in "Related Carriers" to understand whether or not the sub-dominate carrier is a separate corporation or other separate legal entity. If so, their presence as a legal entity both entitles and plagues them with business and regulatory treatment on a free-standing basis. It would be poor and improper public policy to visit upon the parent the sins of the child.

Parent companies can play a role in monitoring their related carriers' compliance with regulatory requirements. With regard to numbering resources, non-compliance that is punished by the withholding of additional resources from the non-compliant entity has an inherent mechanism for parent companies to take steps to ensure compliance because of the potential impact in the marketplace. This obvious need for oversight will flow from normal business practices and it is the corporate obligation of the parent to provide it. Regulatory policy which attempts to reach through an established legal entity to punish third parties is simply not good policy and even if attempted is likely not to survive a challenge.

A company (one OCN) that is unable to get additional resources in one of its related entities will, in all likelihood, suffer severe business disruptions. These ramifications will be obvious to the parent, and will trigger immediately internal consequences for non-performance. Thus no additional measures are necessary.

B. State Commissions' Access to Mandatory Reporting Data

Cox is opposed to password access to NANPA databases by any outside entity. These data bases contain information which carriers are bound to protect and for which they may possess only limited rights of use. It may not be in their legal right to agree to provide access for purposes other than resource allocation, call placement, service integrity assurance and proper billing. The Commission has ordered that state regulatory commissions be given disaggregated data via email or computer disk. There is no reason for NANPA and carriers to assume the additional liability of remote access to the database, regardless of the audience, security arrangements or password protections.

C. Enforcement

The Commission appropriately suggests that only it direct the NANPA or Pooling Administrator to withhold numbering resources if non-compliance is determined by a random or for cause audit and the problems are not cured within a specified time. Safeguards should be in place to maintain the confidentiality of both data and identity of carriers who are found to be non-compliant. Cox believes the identity of any carriers from whom resources are being withheld, for any reason, should be protected. Disclosure raises serious competitive concerns.

D. State Commission Authority to Conduct "For Cause" and "Random" Audits

Cox is pleased with the Commission's decision to undertake audit responsibilities itself and, in general, agrees that state telephone regulatory agencies be permitted to participate in federal audits as to a request for initiating one and as to their outcome. As such, no additional authority to initiate audits is necessary nor should this responsibility be delegated to states when a national program is in place to enforce national guidelines. Such additional authority would be costly, duplicative and unpredictable in its effectiveness.

There may be merit in delegating for cause audit responsibilities to the states if, and only if, strict national procedures are developed and adhered to, including the audit schedule. In this instance “for cause” audits might be best addressed at the state level, since state commissions are closely monitoring numbering activity and are perhaps in a position to identify and swiftly resolve potential compliance problems. Again, however, Cox urges clear and complete federal standards for auditors be in place prior to any delegation of such authority.

Random audits are a different issue. The number and frequency of random audits, for example, should be the same across the country and are best managed by the Commission. An assignment of such authority to state regulators may result in disparate treatment of carriers in different states for the same alleged offense.

The Commission should be mindful of another difficulty in having states perform random audits if it intends the audit to be a broad-scale review. A state commission’s authority essentially ends at its borders. Thus, any state initiated audit would be limited to the numbering resources allocated within the state.

IV. DEVELOPING MARKET-BASED APPROACHES FOR OPTIMIZING NUMBERING RESOURCES

A. Fee for Number Reservations

The FCC correctly extended the period for number reservations to 180 days in the Second Report and Order. Cox believes that any shorter timeframe would have been unworkable.

Cox supported the NANC’s recommendation for extending number reservations by charging end users a fee, and still supports the concept. However, unlike the NANC proposal, Cox feels pricing for number reservations should be left to carriers and the competitive marketplace. Cox opposes any attempt to set pricing through regulation. Carriers should be able to set the price as the market dictates and to file the pricing through normal tariffing

mechanisms. Regulators can review the tariffs to ensure that a fee is in fact being charged. Cox also supports a higher fee for reservation extensions beyond 180 days but once again suggests that the fee, as well as its amount, should be left to the carrier's discretion and included in the carrier's tariff.

Cox does not support a tax on telephone number reservations and believes it would be a regulatory error for the Commission to engage in this taxation process.

B. The Effect of Fees on Numbering Resource Utilization

The existing system of telephone number resource allocation is already market based. By definition, a market based approach would provide resources in correspondence with driving forces which originate in the market-place. The allocation of TN resources is currently driven by demand which results in forecasts of needs and consumption rates. There is no need to move beyond this level of market place involvement in the process, particularly one that involves further regulation, regulatory processes, or charges which eventually flow to the consumer as yet another tax on a vital component of social interaction, the telephone.

The notion that a fee based structure, which is somehow justified by cloaking it in the language of the market-place, will result in greater resource utilization rates lacks any logical tie between cause and effect. The inherent poor utilization rates in numbering resources are caused by the historical billing mechanisms, the desire of incumbent carriers to protect their numbering assets, the preferential treatment of CMRS providers in a manner which provides access to resources when compared to wireline carriers, and a regulatory process which has failed to take bold steps such as unassigned number porting (UNP), which will mine the existing lode of unused and allegedly stranded telephone numbers. Cox urges the Commission to consider the UNP field trials conducted by CLECs as evidence that the process works and to require its implementation across the country. That bold step, combined with an effort to re-invigorate the

NANP by converting billing processes to ten digits determined by delimiting rather than fixed field lengths, is the correct regulatory path into the future.

C. Authority to Assess Fees and to Use Them to Fund the USF

The Telecommunications Act does not provide the Commission with the requisite authority to implement the contemplated market based proposals. Section 251(e)(1) of the Act directs the Commission to oversee the administration of numbering and to make such numbers available on an equitable basis. The Act contains no grant of authority, implied or expressed, to convert America's numbering resources into a market based commodity. Congress did recognize that number administration comes at a cost. Accordingly, the Act imposes two types of numbering costs upon telecommunications carriers – the cost of number administration and the cost of number portability. The Act does not require that carriers also bear the cost of purchasing telephone numbers.

Had Congress intended to provide for a market based numbering policy, the Act would have provided the requisite specific statutory authority. That is precisely what Congress did when providing for the sale of another public resource essential to the delivery of telecommunications services – electromagnetic spectrum. Title 47 Section 309(j) from the Budget Reconciliation of Act of 1993 directs that the Commission shall use a system competitive bidding for the granting of spectrum licenses. Further, that section provides great detail concern the design of the competitive bidding system (47 U.S.C. Section 309 (j)(1)(3)), regulations concerning payment (309(j)(1)(4), bidder qualifications, and treatment of revenues 309(j)(1)(8). Thus, where Congress had intended that the Commission administer a public resource through market based auctions, specific direction was provided. The Act is notably silent on the sale of numbers and cannot be read to provide for such a dramatic departure from number administration practices. Cox also notes that states that the Commission does not have

jurisdiction over the entire North American Numbering Plan, but only that portion of the NANP pertaining to the United States. It therefore becomes problematic as to what portion of the NANP can be sold.

The introduction of market principles to highly regulated industries has been problematic worldwide. The Commission continues to wrestle with such issues as it attempts to encourage competition in the local exchange market. The early stages of moving toward a market-based approach require vigilance and strict rules. It is difficult, if not impossible to envision any set of rules that both allows the marketplace to work as it would have if it had been in place at the inception of the NANP and at the same time sets the price for the existing inventory of numbers. Rather than try to develop a scheme for supply and demand to determine the value of telephone numbers market by market, MSA by MSA, Cox suggests the Commission adopt its aforementioned plan for assessing fees for reservations and on extensions for number reservations as a trial for valuing telephone numbers. The FCC, in doing so, could test not only its assumption that economic principles would have an effect on number utilization but the appropriate pricing structure as well.

After adopting the Cox plan for fees for number reservations, the FCC could, at the end of three years, review all tariffs for fees for number extensions. Carriers could be presumed to have determined the threshold level of payment for telephone numbers that their customers—i.e. the market--would bear. Consumers will ultimately pay for telephone numbers under any plan the FCC would mandate, so this would be a legitimate test. The FCC could evaluate the change in numbers held in reservation overall and on a carrier-specific and market-specific basis to assess the impact of fees on numbering efficiency. This still leaves open the question of the embedded base of telephone numbers, and how to determine their value. If numbers being used

and numbers being introduced into the same market are not priced the same, the Commission will in all likelihood face lengthy litigation. However, if the numbers are priced at the same level, existing carriers could be forced out of business, depending on the payment schedule. Again, the Commission would be facing litigation.

The secondary market the FCC discusses in the FNPRM is even more complex than setting up a primary market. The intent—to increase efficiency in number utilization—could quickly be thwarted by any carrier willing to forgo the revenue opportunity. In fact, it is possible that competition could be hampered in the case of unrestricted direct negotiation. Cox suggests the Commission to order Unassigned Number Porting to determine if carriers are interested in taking quantities of numbers in less than 1000 blocks prior to attempting to formulate a secondary market structure.

V. RECOVERY OF POOLING SHARED INDUSTRY AND DIRECT CARRIER-SPECIFIC COSTS

Cost recovery mechanisms should be left to the choice of the carriers recovering those costs. The current cost assignment mechanism is appropriate but the recovery of those assigned costs should be determined by the individual carrier's approach to the market and its strategy for capturing market share. There is no need for further regulatory involvement and the determination of a federal cost recovery mechanism.

The costs to be recovered are obviously those allocated to the carrier from the joint industry costs and the carrier specific costs. Cox has a concern that the current Interim Number Pooling Administration Contracts combine the carrier specific costs related to "block application fees" and "block fees" with joint industry costs. By definition a joint cost is one which cannot be assigned specifically to a particular carrier but exists because of the presence of all of the carriers. The aggregate block application fee charge and the per block fee aggregate charge is

driven by specific carrier requests for blocks and accrues to the benefit of the individual carriers alone. Cox is of the opinion that these are carrier specific costs and as such should not be combined with costs that are legitimately joint costs as is currently being done in the interim pooling administration contracts.

VI. THOUSANDS-BLOCK NUMBER POOLING FOR NON-LNP-CAPABLE CARRIERS

Cox maintains that the FCC's own principles for numbering demand that all carriers participate in 1000 Block Number Pooling. Equitable treatment means the costs to implement the capability to receive numbers in 1000 blocks should not be imposed on any segment of users of NANP resources if others are exempt. (Cox notes that there are ways for carriers to use numbers in quantities smaller than an entire NXX code that do not require the implementation of LNP technology.) The internal administrative costs, e.g., more frequent replenishment of inventory, changes in operating practices, retraining personnel, are borne disproportionately by carriers forced to pool versus those who can obtain full codes. In addition, Cox has raised concerns about supporting two independent administrative systems, the NXX assignment system and the Pooling 1K Block assignment system as fewer and fewer carriers are permitted to obtain NXX codes versus 1000 blocks.

The Commission's reluctance to mandate pooling on rural carriers or smaller industry segments is understandable. The Commission prefers to encourage numbering resources optimization wherever possible. A financial incentive could be instituted that would at least partially address Cox's concerns. Specifically, carriers who do not participate in pooling should be responsible for the full costs of central office code administration, while carriers who do pool should be limited to funding pooling administration. Such a scenario would fairly distribute the costs of numbering administration overall and serve as a powerful incentive for carriers to either

implement LNP-capabilities or change their methods of obtaining numbers. Stranded numbers would be greatly reduced as more and more carriers see the economic benefits of pooling, or taking numbers in quantities less than a full NXX code. Demand would also be slowed as carriers entering markets take only 1000 numbers. Savings of 9000 numbers per rate center are substantial and cannot be ignored even in cases where only one additional carrier joins the pool.

VII. WAIVER OF GROWTH NUMBERING RESOURCE REQUIREMENTS

Cox is opposed to the creation of an explicit "safety valve" for waivers of utilization thresholds. A safety valve runs counter to the FCC's goal of establishing strict controls on number usage and allocation. Further, such a mechanism would be in reality a new set of requirements that carriers will attempt to meet to circumvent an already comprehensive and equitable process for obtaining growth resources. State commissions can evaluate individual cases and recommend waivers on a case by case basis, and in fact already do so with minimal complaint from industry. While Cox understands the need for predictability in obtaining numbering resources in alleged emergency situations, it should be recognized that the current system is working adequately, albeit not perfectly, and the introduction of more regulations would put the existing procedures in question.

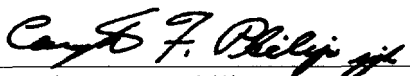
Carriers who have multiple switches in a single rate center can port unassigned numbers between those switches to alleviate temporary shortages. A failure to use available conservation measures such as this is not a reason to invoke new regulatory solutions.

VIII. CONCLUSION

For all these reasons, Cox respectfully requests that the Commission act in accordance with these comments.

Respectfully submitted,

COX COMMUNICATIONS, INC.

By: 
Carrington F. Philip
Vice President, Regulatory Affairs

1400 Lake Hearn Drive, N.E.
Atlanta, Georgia 30319
(404) 843-5791

February 14, 2001

CERTIFICATE OF SERVICE

I, Vicki Lynne Lyttle, do hereby certify that on this 14th day of February, 2001, a copy of the foregoing "Comments of Cox Communications, Inc." was served via hand delivery on:
International Transcription Services, Inc., 445 12th St., SW, Room CY-B402, Washington, D.C.
20554.


Vicki Lynne Lyttle